



PG&E Land Conservation Commitment Stewardship Council May 2004

On December 18, 2003, the California Public Utilities Commission (PUC) approved a bankruptcy settlement agreement for Pacific Gas and Electric Company (PG&E) that provides environmental benefits and ensures the conservation of lands that are important to maintaining the quality of life of local communities and all Californians in many ways.

Under the settlement, PG&E will protect approximately 140,000 acres of its watershed lands associated with its hydroelectric system, plus its 655-acre Carizzo Plains in San Luis Obispo County, a total estimated land value of \$300 million. These lands will be conserved for a broad range of public benefits, including the protection of the natural habitat of fish, wildlife and plants, the preservation of open space, outdoor recreation by the general public, sustainable forestry, agricultural uses, and historic values.

To ensure that PG&E complies with the settlement's requirement to donate lands or grant conservation easements, the non-profit Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) has been established.

Stewardship Council Role

Among its duties, the Stewardship Council will:

- Undertake a systematic survey to identify the existing public values of PG&E's Watershed Lands;
- Develop management objectives;
- Plan the desired future of the lands;
- Recommend whether PG&E donate a conservation easement, or fee title, for each parcel of land to best meet conservation efforts and goals; and
- Engage if appropriate and with PUC approval, in land exchange, where land held by PG&E is exchanged for another parcel of land with greater public value.

Reports will be made to the PUC on the status of the conservation easement and land disposition plan. Any proposed disposition will be presented to the PUC for public notice, hearing, and approval.

Stewardship Council Governing Board

The Stewardship Council governing board will consist of representatives from the PUC and a wide range of environmental groups. Appointed to the board thus far:

- **Latino Issues Forum:** Luis M. Arteaga, Executive Director
- **California State Assembly:** The Honorable Hannah-Beth Jackson, Assemblymember, Thirty-fifth District
- **Antioch Baptist Church:** Dr. J. Alfred Smith, Jr., Senior Pastor

- **PUC:** Geoffrey F. Brown, Commissioner (alternate: Bill Ahern, Executive Director)
- **Office of Ratepayer Advocates:** Robert Kinosian (alternate: Truman Burns)
- **PG&E:** Randy Livingston, Senior Director (alternate: Mike Schonherr, Principal Project Manager)
- **California Department of Fish and Game:** L. Ryan Broddrick, Director (alternate: Ron Rempel, Deputy Director, Habitat Conservation Division)
- **Central Valley Regional Water Quality Control Board:** Robert Schneider, Chair (alternate: James C. Pedri, Assistant Executive Officer)
- **Regional Council of Rural Counties:** Robert A. Meacher, Supervisor, Plumas County Board of Supervisors (alternate: Sue Horne, Supervisor, Nevada County Board of Supervisors)
- **State Water Resources Control Board:** Art Bagget, Jr., Chair (alternate: Gary M. Carlton, P.E., Member)
- **California Farm Bureau Federation:** Karen Mills
- **California Hydropower Reform Coalition:** Steve Wald (alternates: Richard Roos-Collins, National Heritage Institute and Chuck Bonham, Trout Unlimited)
- **Trust for Public Land:** David Sutton, Director
- **California Forestry Association:** Mark Rentz, Vice President Environmental Affairs/General Counsel (alternate: David A. Bischel, President/CEO)
- **United States Forest Service:** Chris Nota (alternate: Duane Marti, Bureau of Land Management)
- **Association of California Water Agencies:** Steve Hall, Executive Director (alternate: Dan Smith, Director of Regulatory Affairs)
- **California Resources Agency:** Mike Chrisman, Secretary (alternates: Sandra Ikuta, Deputy Secretary/General Counsel and Crawford Tuttle, Deputy Secretary, External Affairs)

Board decisions will be made by consensus and its meetings will be public. The first meeting of the board was on April 29, 2004

Urban Needs

A majority of PG&E's ratepayers live in urban areas, not in the Sierra foothills, where the vast majority of the 140,000 acres are located. In order to ensure that substantial environmental benefits are realized by PG&E's urban ratepayers, additional funding will provide a wilderness experience for urban youth, especially disadvantaged urban youth, and to acquire and maintain urban parks and recreation areas. This program will allow disadvantaged, inner city youth to experience the environment in nature's own setting. The program will select young citizens in an urban setting and provide the means to visit these Watershed Lands. While there, they will be exposed to living in the outdoors and see how the actions of man interact with animal and plant life.

Stewardship Council Plan Funding

The Stewardship Council is funded with \$70 million through PG&E rates over 10 years. This funding covers both administrative expenses and environmental enhancements to the protected lands. The planning process, including surveys and inspections of 140,000

acres, will likely cost \$20 million or less, and the balance of the \$70 million will be available to implement physical measures, such as:

- Planting of trees to enhance fish and wildlife habitat and water quality;
- Construction or improvement of recreational access;
- Protection of Tribal or other historical sites; and
- Trail construction or improvements that better link PG&E's lands with neighboring public lands.

In addition, \$30 million for urban needs will be expended in equal installments over 10 years. Approximately 1/3 will be used to provide seed money that will establish a permanent program for young people who are least likely to enjoy the wonder of California's natural beauty. The 2/3 balance of the \$30 million will be used to acquire urban parks and recreation areas for inner city youth.